23rd August 1955]

* THE HON. SRI S. S. RAMASWAMI PADAYATCHI :—" Sir, I move—

'*That the Madras District Municipalities (Amendment) Bill, 1955 (L.A. Bill No. 19 of 1955), as passed by the Assembly, be passed.*' "

MR. CHAIRMAN :—" The question is—

' That the Madras District Municipalities (Amendment) Bill, 1955 (L.A. Bill No. 19 of 1955), as passed by the Assembly, be passed.' "

The motion was carried and the Bill was passed.

(4) THE MADRAS CITY IMPROVEMENT TRUST (AMENDMENT)[a] BILL, 1955 (L.A. BILL NO. 20 OF 1955).

* THE HON. SRI A. B. SHETTY :—" Sir, I move—

'*That the Madras City Improvement Trust (Amendment) Bill, 1955 (L.A. Bill No. 20 of 1955), as passed by the Assembly, be taken into consideration.*' 5-50 p.m.

The Madras City Improvement Trust was first constituted under the City Improvement Trust Act, 1945. At that time it was considered necessary that Government and the Corporation of Madras should each contribute to the Trust a sum not less than Rs. 2½ lakhs every year. The Trust had then no resources of its own and had to depend upon such contribution and loans, etc., from Government for the execution of its schemes as well as for meeting its establishment charges. Necessary provision was therefore made in the Act for the payment of the contribution by the Government and the Corporation of Madras annually. The Trust is now deriving substantial income by way of rent on buildings contructed by it and the income derived by the sale and lease of plots of land owned by it. Recently the question whether the Trust should continue to exist or not was examined by Government and it was decided that the Trust should continue to function but that the annual contribution by Government and the Corporation of Madras should be withdrawn from the year 1955–56, and that the jurisdiction of the Trust should be limited to loans and grants for individual schemes based on their merits. Hence the need for amending the original Act wherein it is stipulated that both the Government and the Corporation of Madras shall pay annually a contribution of Rs. 2½ lakhs to the Trust. That is why we have brought forward this Bill seeking to omit section 91 of the previous Act, which stipulated that the Government and the Corporation of Madras should each contribute to the Trust annually a sum of Rs. 2½ lakhs. I have explained the position and I do accordingly move that the Bill be taken into consideration."

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[a] Printed as Appendix III on page 410 infra.

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MR. CHAIRMAN :—" Motion moved—

'That the Madras City Improvement Trust (Amendment) Bill, 1955 (L.A. Bill No. 20 of 1955), as passed by the Assembly, be taken into consideration.' "

* DR. V. K. JOHN :—" I do not think it is wise on the part of Government to stop the contribution to the Trust. As far as I know the Trust has been doing very good work and it is doing very great help to the poor people who are unable to build houses of their own and who are unable to find houses wherein they could live by paying rent. I can quite see the Corporation of Madras with its limited resources not being able to make this contribution every year. But surely the Government must continue to make this contribution. Only just now we passed the Madras Buildings (Lease and Rent Control) Amendment Bill, 1955. This Improvement Trust with some assistance from the Government would have been able to build more houses. And that would go a long way in easing the housing shortage in the City of Madras. It is stated in the statement of objects and reasons appended to this Bill that originally it was intended at the time of starting this Trust, that both the Corporation and the Government would contribute every year a sum of Rs. 2½ lakhs for the present. If it was thought by the Government and the Legislature at that time that only in the beginning stages the Government and the Corporation should pay the annual contributoin of Rs. 2½ lakhs to the Trust, they woul dhave stipulated a definite period beyond which both the Corporation and the Government need not pay the contribution. But no such thing was contemplated at that time. That is why it is said in the original Act that *till the Trust exists*, both the Corporation and the Government would pay an annual contribution of Rs. 2½ lakhs. Government are now doing something which is not at all in the interests of the public. I do hope that Government would continue this annual contribution of 2½ lakhs to the City Improvement Trust."

* SRI T. PURUSHOTHAM :—" Mr. Chairman, Sir. The Hon. Minister told us that Government examined the question of abolition of the City Improvement Trust some time ago. But I think the Hon. Minister should tell us why that proposal was given up, so that we could appreciate the present measure that has been brought before us now. In my view that question should be re-examined in connection with the consolidated revision of the Madras City Municipal Act. I would suggest that we may evolve a statutory body, like the Madras City Taxation Appeals Committee, to whom the work of city improvement could be usefully entrusted. It may serve as an adjunct to the Corporation of Madras, without the need for the separate costly staff that is now attached to the City Improvement Trust. But it is seen that it has been decided to continue the City Improvement Trust

for the present. What is not clear to us is when the contribution of the Government and Corporation is done away with, I should like to know how it is proposed to continue the Trust. How could it function then? How could it find funds for the schemes, that it has got to work out? It is stated that loans and grants would be given by Government to individual schemes on the merits of each case. I should like to know the details of the assistance that the Trust might be expected to have and what sort of assistance that the Government would give. Would the Corporation be asked to pay half the cost of any scheme put forward by the Trust, and will the Government meet the expenditure with regard to the other half. As it stands now both the Government and the Corporation shall each pay Rs. 2½ lakhs contribution annually to the Trust and all that will be taken away when we pass this Bill and it becomes an Act. The scope of assistance that the Trust would get by way of loans and grants should be clearly defined in the statute so that they may chalk out their programme for future improvements. The present Bill is absolutely silent about it. It deletes the provisions for payment of the present contributions to be made both by the Corporation and the Government. I wish the Hon. Minister tells us the details of how the Government propose to meet the cost of schemes submitted by the Trust and how in the absence of any statutory provision, the Corporation of Madras would be willing to make any contribution at all for these schemes. I hope the Hon. Minister would elucidate all these points before we could give our approval to this Bill."

* THE HON. SRI A. B. SHETTY :—" Just after partition, there was a proposal to reorganize the various heads of departments. It was thought then that the Inspector of Municipal Councils and Local Boards should be the ex-officio Chairman of this Improvement Trust. Then the Government examined the question of the need for the continuance of this Improvement Trust. In September last year, a deputation on behalf of the Improvement Trust met the Hon. Chief Minister and other concerned Ministers."

DR. V. K. JOHN :—" How many members are there in the Trust? "

* THE HON. SRI A. B. SHETTY :—" Ten members."

SRI M. ETHIRAJULU :—" Are there any Backward Class members in the Trust? "

* THE HON. SRI A. B. SHETTY :—" I have not got the names of the members just now for reference. But I may tell the House that the members are those who are well-acquainted with the needs of the City, who are interested in its welfare and who had served in the capacity of Mayors, members of the Corporation Council and other important public workers and they well deserve to be on the Board of the Trust, Sir. 6 p.m.

" The deputation made out a very strong case about the need for retaining this Trust. They pointed out how in spite of various handicaps, such as lack of finance, delay in acquisition of land and the high cost of acquisition, the Trust had done a fair amount of work during the few years of its existence. It had acquired and improved a few slums; it had drawn up 21 schemes, 13 of which have been sanctioned by Government and 9 are under execution. It had provided 900 house-sites for slum dwellers for a nominal rent of Re. 1 or Rs. 2 per month; it had constructed houses for poor and middle class people and also for slum dwellers. It has spent about Rs. 7½ lakhs on housing schemes and has invested on house property Rs. 62 lakhs and odd. The trust is getting a fair amount of income by way of rents . . . (A voice: 'What is the amount?') It is getting Rs. 14 lakhs. (An hon. Member: 'Every year?') The total normal annual income is Rs. 14 lakhs and the expenditure is Rs. 13 lakhs. The Government and the Corporation have already given a contritution of Rs. 40 lakhs during these few years and Government have also given a loan of Rs. 37½ lakhs to the Trust. This year the Government have made a provision for a loan of Rs. 1·77 lakhs in the current year's Budget."

SRI MOHAMED RAZA KHAN :—" May I know what the net income of the Trust every year is? "

* THE HON. SRI A. B. SHETTY :—" It varies from year to year. The Government have undertaken to provide loans up to a maximum of Rs. 20 lakhs every year. As regards giving of grants, it has been restricted to individual schemes with reference to the merits of each case, especially for unremunerative schemes such as slum improvement, provision of water-supply, drainage facilities, etc. The Corporation has also been asked to make an equal contribution to the Trust in respect of such schemes. The Government of India have also allotted to the Trust a sum of Rs. 20 lakhs as loans in respect of the Low Income Group Housing Scheme. Another Rs. 3·24 lakhs has been provided towards the acquisition of land by the Trust for being sold out in plots. So every assistance by way of grants will be given by the Government as well as by the Corporation for schemes examining each scheme on merits. Loans also will be given.

" This is a very simple measure, a non-controversial measure. The Trust has done good work and it is getting a fair amount of income now. I therefore hope that hon. Members would give their approval to this measure."

SRI MOHAMED RAZA KHAN :—" What is the future policy to be followed in the matter of financing this Trust Board to function? "

* THE HON. SRI A. B. SHETTY :—" The Government will give loans and grants. They have undertaken to provide loans up to a maximum of Rs. 20 lakhs every year and they will also make grants restricting them to the merits of each scheme."

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SRI MOHAMED RAZA KHAN :—" What about the Corporation grant? "

MR. CHAIRMAN :—" The question is—

'That the Madras City Improvement Trust (Amendment) Bill, 1955 (L.A. Bill No. 20 of 1955), as passed by the Assembly, be taken into consideration.' "

The motion was carried and the Bill was taken into consideration.

Clauses 2 and 3 were put and carried.

Clause 1 was put and carried.

The Preamble was put and carried.

* THE HON. SRI A. B. SHETTY :—" Sir, I move—

'That the Madras City Improvement Trust (Amendment) Bill, 1955 (L.A. Bill No. 20 of 1955), as passed by the Assembly, be passed.' "

MR. CHAIRMAN :—" Motion moved—

'That the Madras City Improvement Trust (Amendment) Bill, 1955 (L.A. Bill No. 20 of 1955), as passed by the Assembly, be passed.' "

DR. V. K. JOHN :—" Sir, I would like to know whether the Government are aware of the provision under section 91 of the original Act that the Government shall contribute to the Board on the first day of April every year, a sum of Rs. 2½ lakhs, so long as the Board continues to exist? That was the original intention and may I know why it is changed now? "

* THE HON. SRI A. B. SHETTY :—" I have already explained, Sir."

MR. CHAIRMAN :—" The question is—

'That the Madras City Improvement Trust (Amendment) Bill, 1955 (L.A. Bill No. 20 of 1955), as passed by the Assembly, be passed.' "

The motion was carried and the Bill was passed.

MR. CHAIRMAN :—" The House will now adjourn and meet again tomorrow afternoon at 3 o'clock."

The House then adjourned.

V.—PAPERS LAID ON THE TABLE OF THE HOUSE.

* 1. *Notification issued with G.O. Ms. No.* 1813, *Home, dated the* 28th *June* 1955, *regarding amendment to the Madras Motor Vehicles (Taxation of Passengers and Goods) Rules*, 1953, *relating to the levy of fee for issue of duplicate composition certificate.*

* 2. *Notification issued with G.O. Ms. No.* 2011, *Home, dated the* 22nd *July* 1955, *regarding the remission of court-fees payable under the Court Fees and Suits Valuation Act*, 1955.

* 3. *Statement II showing action taken on the promise made during the 7th Session*, 1955, *of the Legislative Council.*

* 4. *Report and proceedings of the Joint Select Committee on the Madras Cultivating Tenants Protection Bill*, 1955 (*L.A. Bill No.* 11 *of* 1955).

5. Bills passed by the Assembly and received therefrom in the Council :

† (i) *The Madras Buildings (Lease and Rent Control) Amendment Bill*, 1955 (*L.A. Bill No.* 21 *of* 1955).

† (ii) *The Madras District Municipalities (Amendment) Bill*, 1955 (*L.A. Bill No.* 19 *of* 1955).

† (iii) *The Madras City Improvement Trust (Amendment) Bill*, 1955 (*L.A. Bill No.* 20 *of* 1955).

† (iv) *The Madras Sales of Motor Spirit Taxation (Amendment) Bill*, 1955 (*L.A. Bill No.* 22 *of* 1955).

† (v) *The Madras Land Revenue (Surcharge) Amendment Bill*, 1955 (*L.A. Bill No.* 24 *of* 1955).

* (vi) *The Madras Marumakkathayam (Removal of Debts) Bill*, 1955 (*L.A. Bill No.* 12 *of* 1955).

TRUTH ALONE TRIUMPHS

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* Laid on the table of the House on 22nd August 1955.

† Circulated by special messengers on 19th August 1955.